

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Panchayat Raj Department - Conversion of existing conventional street lights into LED street lights in selected Gram Panchayats in the State - Inviting Expression of Interest (EOI) from interested companies through e-procurement platform for conversion of existing conventional street lights into LED street lights in selected Gram Panchayats in the State - Permission-Orders - Issued.

PANCHAYAT RAJ & RURAL DEVELOPMENT (PTS.III) DEPARTMENT

G.O.Ms.No.4.

Dated:18.1.2016.

Read the following:

1. From the Commissioner, PR & RD, AP Hyderabad, letter No.2109/CPR&RD/H1/2015, Dated: 31.10.2015.
2. From the Commissioner, PR & RD, AP Hyderabad, letter No.2109/CPR&RD/H1/2015, Dated:7.12.2015.

ORDER:

In the references 1st & 2nd read above, the Commissioner, Panchayat Raj & Rural Development, Andhra Pradesh, Hyderabad has submitted proposal for permission to call for Expression of Interest (EOI) from interested companies through e-procurement platform for conversion of existing conventional street lights into LED street lights in selected Gram Panchayats in the State. The State of Andhra Pradesh has 12,900 Gram Panchayats out of which 650 Gram Panchayats large in terms of population and resources are identified for implementation of this project. The project envisages payment for the capital cost to be made from the savings of current consumption charges which are being paid by the respective Gram Panchayats. Expression of Interest (EOI) would be for inviting interested companies to undertake project survey, supply, installation, testing, commissioning and maintenance of energy efficient LED Street Lights with its fixtures in Gram Panchayats in the State (including service and maintenance for 10 years) for which payment on fixed annuity /EMI basis. This is a PPP project which involves the followings steps:

1. Calling for EOI.
2. Receiving of proposals.
3. Technical evaluation of the proposals.
4. Base line survey of the panchayats by the prospective bidders.
5. Issue of RFP.
6. Evaluation of their financial capacity.
7. Enter into MOU with respective Gram Panchayats.
8. Implementation of the project.
9. The maintenance of LED lights for the next 7 years.

2. He further stated that as per the data available 28 Lakhs (approx) electrical poles are existing in the Gram Panchayats in the State and 21 Lakhs (Approx) poles were fitted with Street Lights. The estimated cost of LED Street Lights throughout Andhra Pradesh is Rs.630 Crore @Rs.100 per watts (30 watts X 21,00,000 x 100). At present on an average Rs.200 to 250 Crore of amount per annum is being paid as Current Consumption Charges by the Gram Panchayats and when the LED Street lights are fixed, the CC Charges are expected to come down by 45 to 55% i.e Rs.100 to 150 Crores. Then expected savings in 10 years is Rs 1000 Crores (i.e 2500 crores – 1500 Crores).

1. This results in improving the financial health of Grama Panchayat by way of 45-55% savings in CC Charges and reduced operation and maintenance charges.

2. Energy saving to the tune of 84 Mega Watt (i.e 21,00,000 street lights x 40 watts saving=84000000 watts). This power savings can be in turn used for industry, agriculture or other sectors and trigger GDP Growth to generate income.
3. LED Street lighting is very effective system along with CCMS. Centralized Monitoring controls turns of lights automatically by reducing unnecessary power wastages and optimizes operational performance.
4. Social Benefits by improving illumination levels focussing on the streets totally (i.e without diffusing 360)
5. Other environmental benefits by way of improved Carbon ratings and gaining Credits.

3. The Commissioner, Panchayat Raj, has further informed that during the pilot study it was analysed that the functioning of LED is found satisfactory and fully accepted by public. 50% energy savings was demonstrated. The luminosity of 75 watts of conventional street lights matched the luminosity 32 watts LED Street Light giving a minimum energy saving of 40 Watts). The Commissioner, PR has proposed for LED Street Lighting on EMI basis in 650 Gram Panchayats where solid waste management is already taken up and that these Gram Panchayats are mostly Mandal Head Quarter Gram Panchayats will act like model Gram Panchayats for entire Mandal. Moreover these Gram Panchayats have comparatively higher population with enough financial viability and all Gram Panchayats are having energy meters for street lighting. Based on the experience gained in these model Gram Panchayats, the retrofitting of street lights with LEDs can be extended to other Gram Panchayats in future. He therefore requested to permit him to take up the LED Lightings in 650 Gram Panchayats (GPs selected under SWM programme) by inviting RFP (Request for Proposals) from reputed firms through e-procurement.

Strategy for implementation of LED project in 650 GPs :

- 1) There will be no upfront (down payment) by the Gram Panchayat.
- 2) The firms which will be empanelled have to invest the entire capital cost.
- 3) The repayment would be on annuity basis with EMI method (annual).
- 4) The repayment will be made by the GPs from out of the savings from Electricity consumption charges.
- 5) Only 80% of the savings from electricity consumption charges will be paid as EMI. The balance of 20% will be net savings for the GP.
- 6) The operation and maintenance of the entire LED system with CCMS will be the responsibility of the empanelled firm for 10 years (7 years warranty and 3 years CMC) (Comprehensive Maintenance Charges)
- 7) The Gram Panchayat, Panchayat Secretary will enter into agreement on behalf of the gram Panchayats on taking Gram Panchayats consent in the form of resolutions. District Panchayat Officer will oversee its implementation.

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- 8) The firm has to execute the project with BIS standards duly ensuring the required luminosity and existing lux levels as per standards.
- 9) The luminosity of 75 watts of conventional street lights should match the luminosity 32 watts LED street light giving a minimum energy saving of 40 watts.
- 10) The performance and working of the street lighting will be monitored from time to time through CCMS.
- 11) Based on the energy savings and periodic CCMS reports of LED street lighting the GPs can make payment to the firms.
- 12) The District Panchayat Officer, will ensure timely payment of EMI to the firms.

4. The Government after careful examination of the matter, hereby permit Commissioner, Panchayat Raj & Rural Development to take up the LED Street lighting project in 650 (six hundred and fifty) Gram Panchayats by inviting Expression Of Interest (EOI) from interested companies through e-procurement platform for conversion of existing conventional street lights into LED street lights in selected Gram Panchayats in the State of Andhra Pradesh.

5. The Commissioner, Panchayat Raj & Rural Development, Andhra Pradesh, shall take further necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.K.S.JAWAHAR REDDY.
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner, Panchayat Raj & Rural Development,
Andhra Pradesh, Hyderabad.

Copy to:
P.S. to Chief Secretary to Government.
OSD/PS to M (PR&RWS)
The General Administration (Cabinet) Department.
SF/SC.

//FORWARDED ::BY ORDER//

SECTION OFFICER